

20-XXX Miscellaneous

PROGRAM C: GROUP INSURANCE

Program Authorization: Louisiana Revised Statute 42:851

PROGRAM DESCRIPTION

This program was authorized by Act 150 of the 1998 First Extraordinary Session. Act 150 provided that for Fiscal Year 1999, the minimum state contribution for health premiums for state retirees with Medicare would increase from 50% to 60% of total premium. For Fiscal Year 2000, the state subsidy would increase to 70% for state retirees with Medicare. The existing operating budget appropriation is associated with the estimated Group Benefits costs associated with increasing from 60% to 70% the state premium subsidy for state retirees covered by Medicare. Due to budget constraints in the current fiscal year, those funds were not distributed to state agencies to pay for this additional cost. The agencies were required to absorb the cost. The funds were applied towards the current year shortfall.

RESOURCE ALLOCATION FOR THE PROGRAM

	ACTUAL 1998-1999	ACT 10 1999- 2000	EXISTING 1999- 2000	CONTINUATION 2000 - 2001	RECOMMENDED 2000 - 2001	RECOMMENDED OVER/(UNDER) EXISTING
MEANS OF FINANCING:						
STATE GENERAL FUND (Direct)	\$0	\$2,300,000	\$2,300,000	\$0	\$0	(\$2,300,000)
STATE GENERAL FUND BY:						
Interagency Transfers	0	0	0	0	0	0
Fees & Self-gen. Revenues	0	1,100,000	1,100,000	0	0	(1,100,000)
Statutory Dedications	0	0	0	0	0	0
Interim Emergency Board	0	0	0	0	0	0
FEDERAL FUNDS	0	500,000	500,000	0	0	(500,000)
TOTAL MEANS OF FINANCING	\$0	\$3,900,000	\$3,900,000	\$0	\$0	(\$3,900,000)
EXPENDITURES & REQUEST:						
Salaries	\$0	\$0	\$0	\$0	\$0	\$0
Other Compensation	0	0	0	0	0	0
Related Benefits	0	0	0	0	0	0
Total Operating Expenses	0	0	0	0	0	0
Professional Services	0	0	0	0	0	0
Total Other Charges	0	3,900,000	3,900,000	0	0	(3,900,000)
Total Acq. & Major Repairs	0	0	0	0	0	0
TOTAL EXPENDITURES AND REQUEST	\$0	\$3,900,000	\$3,900,000	\$0	\$0	(\$3,900,000)
AUTHORIZED FULL-TIME EQUIVALENTS: Classified	0	0	0	0	0	0
Unclassified	0	0	0	0	0	0
TOTAL	0	0	0	0	0	0

This program's recommended appropriation does not include any funds for short-term debt.

This program does not have any long-term debt for Fiscal Year 2000-2001.

SOURCE OF FUNDING

The source of funding is State General Fund, Fees and Self-generated Revenues, and Federal Funds.

ANALYSIS OF RECOMMENDATION

GENERAL FUND	TOTAL	T.O.	DESCRIPTION
\$2,300,000	\$3,900,000	0	ACT 10 FISCAL YEAR 1999-2000
			BA-7 TRANSACTIONS:
\$0	\$0	0	None
\$2,300,000	\$3,900,000	0	EXISTING OPERATING BUDGET – December 3, 1999
(\$2,300,000)	(\$3,900,000)	0	Other Non-Recurring Adjustments - Anticipated Fiscal Year 2000 costs associated with increasing the state employer payments from 60% to 70% of the health insurance premiums for retirees with Medicare. An appropriation was placed in 20-XXX for this statewide cost and these funds were to be distributed to state agencies to cover that cost. However, due to the current year budget shortfall, these funds will be applied to that shortfall. For FY01, state employer payments will increase from 70% of the health insurance premiums for retirees with Medicare to 75%. State agencies will absorb that cost.
\$0	\$0	0	TOTAL RECOMMENDED
\$0	\$0	0	LESS GOVERNOR'S SUPPLEMENTARY RECOMMENDATIONS
\$0	\$0	0	BASE EXECUTIVE BUDGET FISCAL YEAR 2000-2001
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON SALES TAX RENEWAL
			SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE:
\$0	\$0	0	None
\$0	\$0	0	TOTAL SUPPLEMENTARY RECOMMENDATIONS CONTINGENT ON NEW REVENUE
\$0	\$0	0	GRAND TOTAL RECOMMENDED

No special funding is recommended in Fiscal Year 2001 for this program.

PROFESSIONAL SERVICES

This program does not have funding for Professional Services for Fiscal Year 2000-2001.

OTHER CHARGES

This program does not have funding for Other Charges for Fiscal Year 2000-2001.

ACQUISITIONS AND MAJOR REPAIRS

This program does not have funding for Acquisitions and Major Repairs for Fiscal Year 2000-2001.